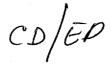
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## CENTRAL

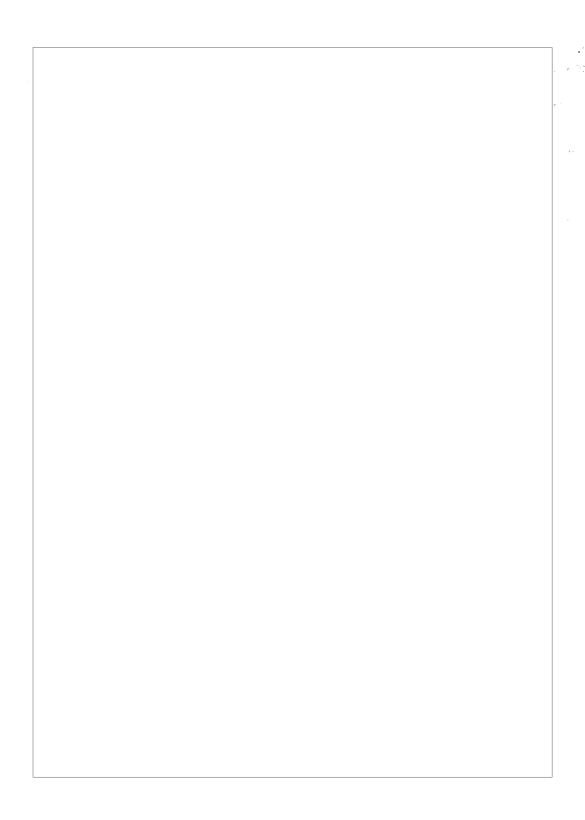
# INTELLIGENCE

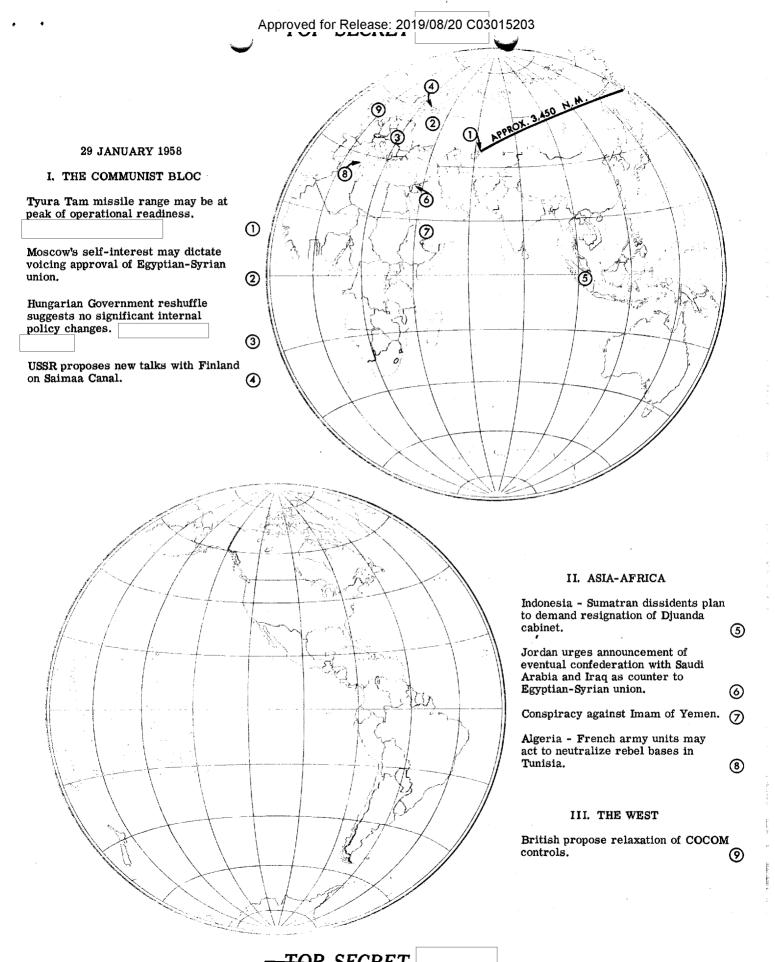
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## CENTRAL INTELLIGENCE BULLETIN

29 January 1958

## DAILY BRIEF



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#### I. THE COMMUNIST BLOC

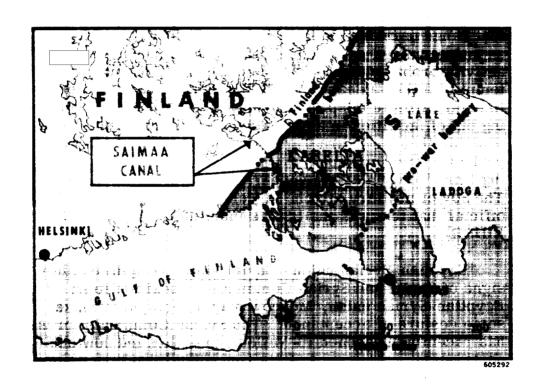
Soviet missile activities: The Tyura Tam missile test range participated in limited operational activity of an undetermined nature on 22, 23, and 25 January. This activity probably did not reflect an actual launching attempt of either an earth satellite vehicle or an intercontinental ballistic missile, but may have involved the checking out of facilities in anticipation of a future event. It is possible that the Tyura Tam range has been brought to a peak of operational readiness for a large satellite launching timed to counter the appearance of a first US satellite. The Soviet military attaché in Tehran recently told a US official that this was the USSR's intention.

\*Egyptian Syrian union—Soviet view: Despite earlier signs of Soviet and Syrian Communist opposition to an Egyptian—Syrian union, Moscow may be obliged to make some gesture of acceptance. The Syrian Communist press has recently abandoned its veiled opposition and now supports union, having apparently recognized that opposition was hopeless and unpopular. At the same time, the Soviet Union will probably continue behind—the—scenes opposition to the union effort. (Page 1)

Hungary: The Hungarian Government reshuffle does not suggest any significant change in internal policy. A number of flights by Soviet VIP aircraft to and from Hungary before the National Assembly met suggest that the Soviet leadership has been actively supervising the changes.

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Soviet-Finnish relations: Soviet Ambassador Lebedev proposed on 23 January that the USSR and Finland reopen discussions on the possible return of the Saimaa Canal area to Finland. The Finnish cabinet has decided to make talks contingent on a favorable Soviet stand with regard to the general revision of the common border. Moscow probably views the reopening of this issue as a means to gain Finnish support for the neutralization of northern Europe, suggested by Bulganin's letters of 10 January to Norway and Denmark, and to demonstrate the practical value of friendly coexistence. (See map on facing page)

#### II. ASIA-AFRICA

Indonesia: Dissident leaders in Sumatra are planning to deliver an ultimatum to Djakarta in early February demanding the resignation of the Djuanda cabinet and its replacement by an avowedly anti-Communist government. The ultimatum will further state that failure to comply within five days will result in the establishment of a rival government. Although Djuanda is unlikely to bow to the dissidents' pressure to resign, he may seek to buy time by offering to compromise. (Page 2)

Arab opposition to Egyptian-Syrian union: The Jordanian Government is seeking Saudi Arabian and Iraqi support for a dramatic announcement of long-range plans looking toward eventual confederation of the three monarchies as a countermove to the forthcoming Egyptian-Syrian union. The Jordanians seem to be moving too slowly, however, to achieve the propaganda victory they desire. The Lebanese President and foreign minister view such a union as a mortal danger to Lebanon and have offered to go to "any limit" in opposing Egyptian-Syrian union, but only if their government has American support. (Page 3)

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Yemen: A conspiracy apparently has developed against the unpopular Imam of Yemen. Despite government claims that it has rounded up persons guilty of conspiracy with "foreign imperialists," presumably British, opposition probably is continuing. Government officials and leaders of the northern tribes oppose the claim to succession of the Imam's son, Crown Prince Badr.

North Africa: Tension continues in the Algerian-Tunisian border area. There is likelihood that French army units from Algeria, using the doctrine of hot pursuit, may attempt some type of operation aimed at neutralizing some rebel bases in Tunisia within the next few weeks.

#### III. THE WEST

UK stand on trade controls: The British have recently proposed a sweeping relaxation of trade controls on strategic materials and machinery now embargoed for shipment to the Sino-Soviet bloc.

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#### I, THE COMMUNIST BLOC

## USSR May Show Acceptance of Egyptian-Syrian Union

The USSR may feel obliged to make some gesture of acceptance toward the expected proclamation of Egyptian—Syrian union in order to maintain its influence and prestige in the two countries. There were earlier signs that the USSR and Syrian Communists were opposed to such a union, fearing it would greatly facilitate Nasir's declared purpose of ousting pro-Soviet Syrian leaders such as Deputy Premier Azm and suppressing the Syrian Communists. The Soviet leaders, however, probably recognize that disapproval of the union would only alienate Nasir and pro-Egyptian Syrian nationalists and risk placing the USSR in a position of opposing the ideal of Arab unity.

At the same time, the USSR has attempted to apply

last-minute pressure on Syria to forestall final action on union.
union.
G-2 chief Sarraj union would require a new agreement on Soviet arms to Syria since the Soviet-Syrian agreement provided arms would not be handed over to a third country.  states that the Soviet ambassador to Syria has warned the Soviet-Syrian economic agreement might have to be re-
Soviet propaganda media thus far have not commented on the Cairo negotiations. The Syrian Communist press has recently abandoned its veiled opposition and now supports union, apparently recognizing that opposition was useless and unpopular.

#### II. ASIA-AFRICA

### Sumatran Dissidents Plan Ultimatum to Djakarta

Sumatran dissidents have decided to send an umatum to Djakarta on 5 February demanding that	
Djuanda cabinet resign within five days,	
T	he
ultimatum will also call for the formation of an ar	ıti-
Communist cabinet by former Vice President Hatt	
and the Sultan of Jogjakarta. This new cabinet is	not
to be responsible to parliament and will concern i	
self primarily with economic reform and the deve	lop-
ment of provincial autonomy. Should Djakarta or	Hatta
reject the plan, the dissidents will proclaim a pro-	ovi-
sional "free government of Indonesia."	

The rival government would be led by Sjafruddin, former governor of the Bank of Indonesia, as prime minister. The slate includes several Javanese as well as most of the prominent dissident leaders from Sumatra and Celebes.

There is little likelihood that the Djakarta government will capitulate to the dissidents. Djakarta officials may claim that Prime Minister Djuanda cannot return the cabinet's mandate to Acting President Sartono and that any action must await Sukarno's return, which is expected late in February. Hatta has stated repeatedly that he will take no action against the cabinet while Sukarno is out of the country. Djakarta may, however, offer to compromise in the hope of at least delaying the formation of a rival government.

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## SECRET-

## Jordan and Lebanon Increasingly Concerned Over Egyptian-Syrian Union

Pro-Western government leaders in Jordan and Lebanon have expressed increasing alarm to American officials over the popular appeal which the Egyptian-Syrian unity movement will have among the restive populations in their countries.

Jordan's King Hussayn fears that the impending announcement of some kind of "paper unity" between Egypt and Syria will have tremendous popular appeal, especially among the Palestine refugees in West Jordan. Hussayn is seeking approval from the Saudi and Iraqi governments for a "dramatic announcement" reviving existing treaties of friendship among Iraq, Jordan, and Saudi Arabia, and proclaiming the long-range objective of confederation among the three states. Hussayn desires to issue such a proclamation before announcement of Egyptian-Syrian union, but he appears to be moving too slowly to achieve his hoped-for propaganda coup. There has also been a conspicuous absence of initiative from Saudi Arabia and Iraq, both of which are wary of moves which would appear to challenge Nasir and the popular goal of Arab unity.

Lebanon's President Chamoun and Foreign Minister Malik have voiced the opinion that if the United States failed to oppose the Egyptian-Syrian move, the opposition to President Chamoun would be emboldened to seek a change in the government with the ultimate aim of joining the new Egyptian-Syrian union. Malik said that if his government had American support, it would "go any limit" in opposing the union, which he and President Chamoun view as a mortal danger to Lebanon.

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#### III. THE WEST

#### UK Stand on Trade Controls

Great Britain has provided the United States with its initial draft proposals for reduction of controls on trade in strategic materials with the Sino-Soviet bloc. The proposals, to be presented to the February COCOM meeting requested by the UK, include:

- a. Elimination of 43 percent of the items other than atomic energy and munitions on COCOM International List I (material now totally embargoed for shipment to the bloc).
- b. Rejustification of an additional 34 percent of the items other than atomic energy and munitions now on International List I. The British have indicated that this "rejustification" will be aimed at much narrower definitions or actual elimination of these items.
- c. A review of existing procedures and such arrangements as shipping and bunkering controls--presumably with the intent of eliminating at least some of them.

While no formal notice has been given of proprosals to revise quantitative controls (International List II) or surveillance controls (International List III), the British are understood to be contemplating their complete elimination.

The British have long held that trade controls are more trouble than they are worth, and they now argue that in view of the importance attached to the short initial phase of a global war, the expansion of an industrial base has lost its strategic significance. In fact, the USSR continues to attach primacy to the expansion of its military—industrial base to support its military machine.

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